



ESG Report

4th Quarter 2022

ESG Journey

TIM has a long history of integrating aspects known today as ESG (environmental, social and governance) into its corporate culture and decision-making. TIM's pioneering spirit and leadership in these issues has been publicly acknowledged for more than a decade. For 15 years, the company has been part of the B3 Corporate Sustainability Index (ISE), being the longest-listed company in the sector.

Since 2011, TIM has been listed on the B3 Novo Mercado, the highest level of corporate governance in the Brazil Stock Exchange, besides being the first and unique Telco to be awarded by the Pró-Ética Seal from the Brazilian Office of the Comptroller General ("CGU"), for two consecutive years.

As a signatory to the Global Compact since 2008 and UN Women since 2021, TIM promotes projects related to the Sustainable Development Goals ("SDG") and recognizes the rights to data privacy, safe internet, access to information and freedom of expression as essential and unnegotiable.

TIM has become a reference in promoting diversity and inclusion both nationally and internationally, with goals, commitments, and implementation of various initiatives on the themes of gender, race, LGBTI+ people, generations, people with disabilities, among others. In 2021, the Company became the first Brazilian operator to be part of the **Refinitiv Diversity & Inclusion Index**, occupying the 1st position in Telecom at a global level, a distinction it maintained in 2022. TIM was also the first Brazilian operator to win the **GSMA's Diversity in Tech** international award, which recognizes worldwide organizations with practices in favor of equality, diversity and human rights in the technology sector. In 2023, TIM will again be part of **Bloomberg's Gender Equality Index**, which brings together 485 companies from 45 countries, with only 16 from Brazil.

In the constant quest to build healthier, more inclusive and collaborative work environments, where people can be proud of themselves and achieve even better results, TIM was awarded the **Top Employers Brasil** seal for the second year in a row. The company also joined, in January of this year, **B3's GPTW Index**, which considers the companies certified by Great Place to Work (GPTW) as the best environments to work in Brazil.

The experience accumulated along this ESG journey culminated in significant advances in governance, with the creation of the ESG Committee, under the Board of Directors, in 2020. This body's main focus is to define and monitor TIM's ESG Plan, which covers short, medium and long-term goals for key topics in corporate sustainability, updated annually (see ESG Plan 2022-24 below).

International recognition

In 2022, TIM maintained its global leadership in the telecommunications sector of the Refinitiv Diversity & Inclusion Index, in addition to occupying the 10th position in the total ranking. In addition, in January 2023, TIM was considered for the second consecutive year one of the most sustainable companies in the world by S&P Global ESG, the organization responsible for the Dow Jones Sustainability Index (DJSI). The Company was again included in the **Sustainability Yearbook** for its performance in the process of submission to the DJSI. TIM was also chosen as one of the most sustainable companies in Latin America in the **Latin Trade Index Americas Sustainability Award**, from the Inter-American Development Bank and the specialized magazine Latin Trade. The recognition was in the Social category for the company's performance in creating value for Brazil as a whole, through its inclusion and diversity actions and the projects of the TIM Institute.

ESG Plan 2022-24 goals

With the commitment to give transparency to the evolution of the goals set for the triennium 2022-24, TIM presents the results obtained at the end of the 4th quarter:

Environmental		2022 Results	
	Being a Carbon Neutral company (scopes 1 and 2) ¹	0 ²	2030
	Zero the scope 2 indirect emissions ¹	0	2025
	Maintain 100% of energy consumption from renewable sources	100%	
	Maintain the 80% increase in eco-efficiency in data traffic ¹ (bit/Joule)	+127%	
	Recycle at least 95% of solid waste	73%	2023

Social		2022 Results	
	Maintain the level of employee engagement at least 80%	86%	2023
	Reach 40% of black people in the workforce	37.3%	
	Have 35% women in leadership positions	34.4%	
	Train 99% of employees in ESG culture	99%	
	Train over 5,000 employees in digital skills	4,015	
	Bringing 4G connectivity to all municipalities in Brazil	96%	

Governance		2022 Results	
	Reduce customer complaints by 50% ³	-50%	2023
	Maintain TIM on the Novo Mercado, Pró-Ética and ISE-B3	Maintained	
	Maintain certifications ISO 14001, ISO 900 and ISO 37001	Maintained	
	Get the certification ISO 27001	Obtained	2022

¹ Base year 2019

² TIM incorporated Non-Kyoto fugitive emissions into the calculation of Scope 1 emissions of the carbon neutral target, making its emissions monitoring even more rigorous. Scope 1 and 2 emissions totaled an 84% reduction in 2022, compared to the base year 2019. The goal for 2030 is to reduce by 100% the amount of emissions relative to the 2019 base year. In 2022, with the purchase of carbon credits, TIM managed to neutralize its emissions in the year, a result represented in the chart by the number "0" ("zero").

³ Reduce by 50% customer complaints at Anatel in the personal mobile service by 2023, with respect to 2019, including Oi Móvel customers who have already been migrated to TIM's customer base.

Commitment to Transparency

TIM has reported to the Carbon Disclosure Project (CDP) - the largest database in the world on Greenhouse Gases related to Climate Change - since 2010 and publishes its GHG emissions in the Public Emissions Register of the Brazilian GHG Protocol Program. In 2022, TIM, through the TIM Group, joined the Science Based Target Initiative (SBTi), having its targets approved by the initiative, and aligned its approach to climate risks to the recommendations of the Task Force on Climate related Financial Disclosures (TCFD).

Since 2004, TIM has been presenting its sustainability performance through sustainability indicators and for 14 years has published reports according to the guidelines of the Global Reporting Initiative (GRI). As of 2021, the Company will refer to this publication as the ESG Report and reinforces its commitment to transparency and accountability to its stakeholders, organizing the report in the three pillars:

Environmental, Social and Governance. Since 2009, TIM's reports have been assured by an independent third-party. In addition, every quarter, together with the financial information, the [ESG Report](#) is released, with the main highlights of the performance of its environmental, social, and governance indicators. In 2022, TIM also published [Issue Briefs](#), to give more visibility to its actions in the areas of biodiversity, risks related to climate change, data center efficiency, and emerging risks.

[Our main policies](#) - such as the Corporate Social Responsibility, Human Rights, Diversity, Environmental, Climate Change, Supplier Relations, Risk Management, Anti-corruption, Safety & Occupational Health and Privacy Policies - are publicly available to the consultation of our *stakeholders*.

Founded in 2013, [Instituto TIM](#) has a mission to democratize access to science, technology and innovation, in order to promote human development in Brazil. More than 700,000 people from all Brazilian states and the Federal District have been benefited by the education and inclusion projects of Instituto TIM, some of which were internationally awarded (i.e. Governarte Awards – BID 2015).

Due to its solid performance in ESG, TIM is part of national and international indexes and ratings such as the B3 Corporate Sustainability Index, [Carbon Efficient Index](#) (IC02-B3), Brazil ESG Index (S&P/B3), Great Place to Work Index (IGPTW-B3), the BCP Brazil Climate Resilience Index (ICDPR-70), Refinitiv Diversity & Inclusion, Gender Equality Index (GEI) of Bloomberg, *FTSE4GOOD Emerging Markets*, *FTSE4GOOD Latin America*, *MSCI ACWI ESG Leaders*, *MSCI Emerging Markets ESG Leaders*, TEVA ESG Women on the Board Index, seal Women on Board, among others, in addition to being certified by ISO 14001 standard (since 2010), ISO 9001 (since 2000) and ISO 37001 standard (since March 2021).

4th Quarter 2022 highlights

- TIM reached the mark of 15 consecutive years in B3's Corporate Sustainability Index. The operator is the telecommunications company for the longest consecutive years in the portfolio, made up of companies committed to environmental, social and governance premises. The new portfolio brings together 70 companies from 37 sectors of the economy, totaling more than R\$ 2 trillion in market value.
- For the second consecutive year, the company was selected by S&P Global ESG, the organization responsible for the Dow Jones Sustainability Index (DJSI), to become a member of the Sustainability Yearbook, which selects the best performing companies in the process of submission to the DJSI (Corporate Sustainability Assessment) questionnaire.
- TIM received the Gold Seal from the EcoVadis platform, ranking among the top 5% of companies in sustainability management in the telecom sector worldwide. The institution is one of the largest providers of corporate sustainability assessments, with more than 100 thousand companies assessed globally.
- In 2022, TIM renewed its materiality matrix considering new trends, which consider impacts from both financial and socio-environmental perspectives, the so-called double materiality. At the end of the process, eight material themes were identified for TIM: *Innovation and Technology; Digital Inclusion and*

Connectivity; Data Privacy and Security; Energy Efficiency; Quality of Services; Health, Well-being and Safety; Ethics, Integrity and Compliance; and Transparency and Relationship with Stakeholders.

- The Academic Working Capital (AWC), TIM Institute's entrepreneurial education program for college students, resumed its in-person model and ended its 7th edition in December, with the participation of more than 50 students from various regions of the country. The projects, developed over six months of training, were presented at the Investment Fair, held in partnership with Fundação Armando Alvares Penteado (FAAP), through the FAAP Business Hub, in São Paulo. One of the program's main objectives is to enable the Course Completion Assignments (TCCs) to be transformed into technology-based products or services, fostering the creation of innovative businesses. Since 2015, the program has supported more than 480 young people and launched more than 80 startups.
- The TIM Institute, in partnership with the NGO One By One, developed the Exponential Education a technological education project aimed at children, young people and their families. The organization, which works to provide social inclusion for families with children with physical, motor or neurological disabilities and in social vulnerability, in Rio de Janeiro, promotes, by means of courses, the preparation of this public for the job market. In 2022, 70 students completed the course, 63% of whom are women.
- At the end of Q4, TIM's energy consumption was 666,329 MWh. Of this total, more than 20% came from the acquisition of the open market and almost half came from the company's self-generation of renewable energy, under the Distributed Generation Project, which has 53 solar, hydro and biogas plants, among others. With the acquisition of renewable energy certificates TIM reached the 100% renewable energy mark. It is worth noting that since 2019, the share of distributed generation (self-generation by plants) in TIM's energy matrix rose from 6% to 47%.
- Data traffic eco-efficiency (bit/Joule) increased by 127%, a result of the search for energy use efficiency, even in the face of increasing data consumption.
- TIM ended 2022 with 1,829 active biosites in its network. These structures provide a solution for densification of the mobile access network (antennas/towers) with very low visual and urban impact. In addition to contributing to the harmonization with the environment and with the urban infrastructure - with multifunctionality capable of aggregating telecommunications transmission, lighting, and security cameras - they are less expensive and quick to install.
- TIM became the first operator with 100% national coverage with 2G, 3G and 4G technologies and furthermore reached 96% 4G presence in Brazilian municipalities by the end of 2022. Moreover, the company is a leader in agribusiness coverage, with 12 million hectares covered by 4G, benefiting more than one million people in 485 municipalities in 12 states. TIM also expanded its coverage with NB-IoT technology, which reached 24 million hectares. Contributing to this result were the new clients won by the company in 2022, such as Usina Santa Vitória (MG), Usina Santa Adélia (SP), Usina São Martinho (SP) and BP Bunge Bionergia, with 11 units, spread over the states of Goiás, Minas Gerais, Mato Grosso do Sul, São Paulo, and Tocantins.
- In 2022, TIM achieved ISO 27001 certification, an international standard that describes best practices for information security management and the management and reduction of cybersecurity risk. In addition to meeting the goal of its ESG Plan, the Company reinforces its commitment to data protection and privacy.

- TIM won in two main categories of the Reclame Aqui 2022 Award, which highlights the companies with the best service in Brazil on the platform. Elected in "Best Service" and "Company that has evolved the most", TIM was recognized on the portal as a brand of excellence.
- As a material and strategic issue for TIM, the operator managed to achieve the goal of its ESG Plan to reduce customer complaints at Anatel of personal mobile service by 50%, with respect to 2019. The Company acts to ensure adequate infrastructure, stability and network expansion to support the growing use of mobile data and access to various digital services.

Shareholders information

The main activities carried out by the Company's Board of Directors and its Advisory Committees, and by Fiscal Council in the 4th Quarter 2022 are presented below:

Most relevant activities of TIM S.A.'s corporate bodies

BOD Attendance
TIM S/A



Board of Directors

10 members, 4 independents (40%)
30% female representation
Meetings: 2 | 90% attendance

FC Attendance
TIM S/A



Fiscal Council

3 effective members and 3 alternate members, all independent
Meetings: 3 | 100% attendance

SAC Attendance
TIM S/A



Statutory Audit Committee

3 members, all independent
33% female representation
Meetings: 3 | 100% attendance

CRC Attendance
TIM S/A



Control and Risks Committee

5 members, 2 independents (40%)
20% female representation
Meetings: 2 | 100% attendance

CC Attendance
TIM S/A



Compensation Committee

3 members, 1 independent (33%)
Meetings: 0

ESG Attendance
TIM S/A



Environmental, Social & Governance Committee

5 members, 2 independents (40%)
20% female representation
Meetings: 1 | 80% attendance

Most relevant activities of Board Directors:

- Acknowledged on the activities carried out by the Statutory Audit Committee;
- Acknowledged on the activities carried out by the Control and Risks Committee;
- Acknowledged on the activities carried out by the Environmental, Social & Governance Committee;
- Acknowledged on the Company's Quarterly Financial Report ("ITRs") for the 3rd quarter of 2022, dated as of September 30th, 2022;
- Acknowledged on the progress of the negotiations regarding the acquisition of the assets of the mobile services business of Grupo Oi;
- Approved the amendment of the Company's Organizational Structure;
- Approved the amendment proposal to the Policy for Disclosure and Use of Information and Trading of Company Securities;
- Approved the payment proposal of the Company's interest on shareholders' equity ("JSCP");
- Acknowledged on the Industrial Plan and approved the Company's budget for 2023;
- Acknowledged on the Company's Strategic Projects;
- Approved the agreements for the supply of services between the Company and Cozani RJ Infraestrutura e Redes de Telecomunicações S.A.;
- Approved the agreement for the supply of services between the Company and IHS Fiber Brasil – Cessão de Infraestruturas Ltda.;
- Acknowledged on the status of the Adjustment of Conduct Term between the Company and the National Agency of Telecommunications – ANATEL;
- Approved the Statutory Audit Committee's budget for the year of 2023;
- Acknowledged on the Company's Corporate Calendar for the year of 2023;
- Approved the Company's Board of Director's Work Plan for 2023.

Most relevant activities of the Fiscal Council:

- Evaluated the BAD DEBT, its evolution, ongoing processes and initiatives for credit recovery, as well as criteria for recognizing expenses;
- Evaluated the projects of the Cyber Security area;
- Evaluated the status of the partnership between the Company and C6 Bank;
- Evaluated the characteristics of short- and long-term incentive plans and other forms of variable remuneration in place, as well as payment methodologies, if applicable;
- Evaluated the documents shared by the Company's management;
- Evaluated the Tax, Regulatory, Civil and Labor contingencies;
- Evaluated the Company's Quarterly Information Report ("ITRs") for the 3rd quarter of 2022, dated as of September 30th, 2022;

- Acknowledged on the information provided by Ernst & Young Auditores Independientes S/S (“EY”) on the Company’s Quarterly Information Report (“ITRs”) for the 3rd quarter of 2022, dated as of September 30th, 2022;
- Evaluated the methodology used for the Company's annual impairment assessment;
- Evaluated the payment proposal of the Company’s interest on shareholders’ equity (“JSCP”).

Most relevant activities of the Statutory Audit Committee:

- Supervised and evaluated the activities carried out by the Internal Audit;
- Analyzed and evaluated the reports received by the Whistleblowing Channel;
- Supervised and evaluated the activities carried out by the Compliance area;
- Followed up and supervised the Independent Auditors’ activities;
- Evaluated related parties agreements;
- Acknowledged on the Tax, Regulatory, Civil and Labor contingencies;
- Evaluated the Company’s Quarterly Information Report (“ITRs”) for the 3rd quarter of 2022, dated as of September 30th, 2022;
- Acknowledged on the presentation by Ernst & Young Auditores Independientes S/S (“EY”) on the Company’s Quarterly Information Report (“ITRs”) for the 3rd quarter of 2022, dated as of September 30th, 2022;
- Evaluated the methodology used for the Company's annual impairment assessment;
- Acknowledged on the status of the Risk Appetite and Risk Indicators for the 3rd Quarter of 2022;
- Evaluated the payment proposal of the Company’s interest on shareholders’ equity (“JSCP”);
- Evaluated the Company’s Monthly Financial Report for October, 2022;
- Evaluated the CAE's budget proposal for the year 2023, to be submitted to the Board of Directors for approval.

Most relevant activities of the Risk and Control Committee:

- Supervised and evaluated the activities carried out by the Internal Audit;
- Analysed and evaluated the reports received by the Whistleblowing Channel;
- Supervised and evaluated the activities carried out by the Compliance area;
- Acknowledged on the status of the Risk Appetite and Risk Indicators for the 3rd Quarter of 2022.

Most relevant activities of the ESG Committee:

- Follow-up the routine monitoring of the ESG Plan’s execution and its indicators.